Government of Saskatchewan

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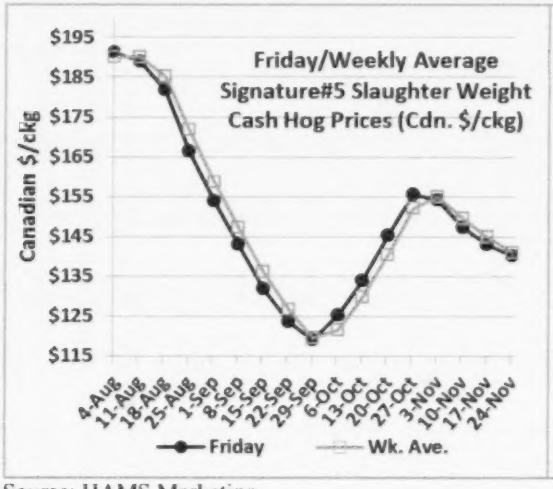
Weekly Hog Report

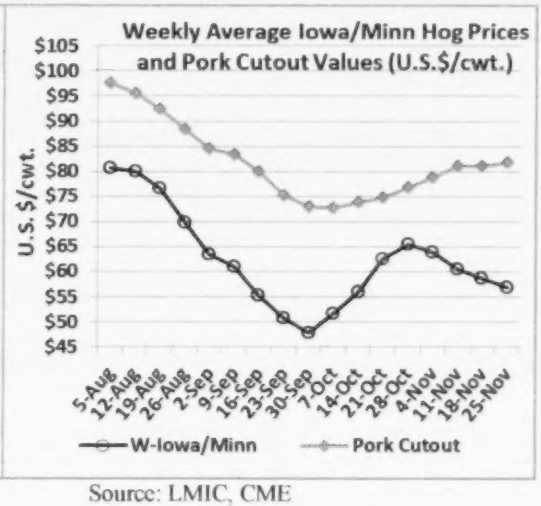
November 27, 2017

Cash Slaughter Weight Hog Prices

United States daily average slaughter weight cash hog prices (Iowa/Minn) were lower early during the shorter U.S. Thanksgiving week with prices moving higher Friday to help daily prices edge higher, week-over- week. Hog prices on Friday November 24 averaged US$57.81 per cwt, up US$0.46 per cwt or 0.8 per cent from US$57.35 per cwt the previous Friday. The negotiated weekly base price last week averaged US$56.81 per cwt, down US$1.87 per cwt or 3.2 per cent from US$58.68 per cwt the previous week.



Source: HAMS Marketing

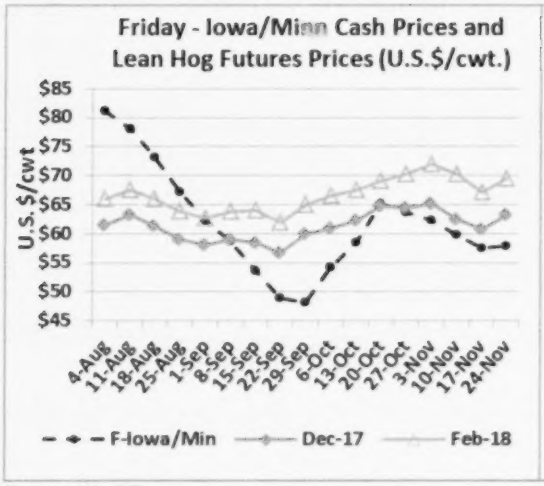


Source: LMIC, CME

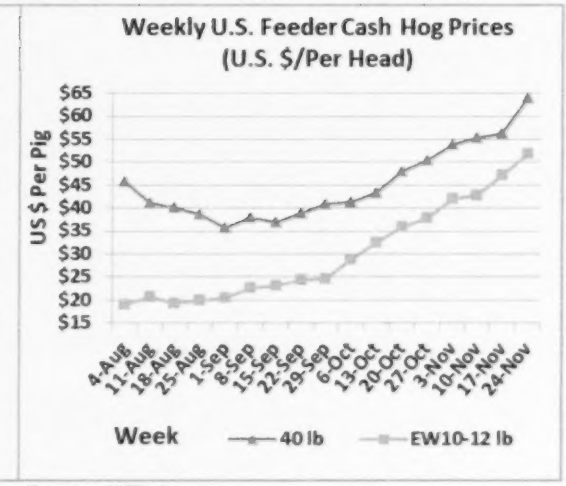
In Canada, the Signature#5 (Maple Leaf) Index 100 daily price for Friday November 24, 2017 was $139.97 per ckg, down $2.88 per ckg or 2.0 per cent from $142.85 per ckg the previous Friday. Signature#5 weekly prices (Friday to Thursday) averaged $141.00 per ckg, down $3.91 per ckg or 2.7 per cent from the previous weeks' average price of $144.91 per ckg. The Canadian dollar compared to the U.S. dollar settled last Friday at 78.69 cents, up 0.46 cents from 78.23 cents the previous Friday.

Futures Markets

United States lean hog futures daily prices were primarily higher last week except for losses on Tuesday; to push prices higher, week-over-week. The nearby December contract increased US$2.600 per cwt to settle last Friday at US$63.250 per cwt; while the February 2018 contract increased US$2.325 per cwt to settle last Friday at US$69.400 per cwt.



Source: LMIC



Source: USDA

Cash Feeder Hog Prices

North American (Iowa) iso-wean (10-12lb) cash hog prices and feeder (40lb) cash hog prices continued to move higher last week. Weighted average cash prices for iso-weans (12lb) last week were US$51.73 per head, up US$4.67 per head or 9.9 per cent from US$47.06 per head the previous week. Feeders (40lb) averaged US$63.92 per head, up US$7.71 per head or 13.7 per cent from US$56.21 per head, the previous week.

Iowa cash corn prices settled last Wednesday at US$3.03 per bushel, up four cents from US$2.99 per bushel the previous Friday. Daily corn futures were mixed last week but overall unchanged, weak-over-week. The December corn contract declined less than a cent to settle last Friday at US$3.42 ¼ per bushel. The March 2018 corn contract was unchanged to settle last Friday at US$3.55 per bushel.

Hogs Slaughtered

U.S. hogs slaughtered under federal inspection for the shorter U.S. Thanksgiving week ending November 24 were estimated at 2.163 million head, down 12.1 per cent from 2.460 million head the previous week, but up 0.5 per cent from 2.152 million head the same week a year ago. Weekly U.S. hog slaughter numbers over the last eight weeks have averaged 2.447 million head, up 1.3 per cent from 2.416 million head over the same period a year ago.

In Canada, federal and provincial hog slaughter numbers for the week ending Nov. 18, 2017 were estimated at 452,776 head, up 8.9 per cent from 415,870 head the previous shorter Remembrance Day week, but down 2.5 per cent from 464,238 head the same week a year ago. Canadian hog slaughter numbers over the last eight weeks averaged 428,675 head, down 1.6 per cent from 435,576 head over the same period a year ago. Year-to-date, Canadian hog slaughter numbers totaled 19,094,753 head, up 1.3 per cent from the same period a year ago. (Source: AAFC/CFIA)

Meat Production

U.S. pork production for the shorter U.S. Thanksgiving week ending November 25, 2017 was estimated at 458.5 million lb., down 11.9 per cent from 520.2 million lb. the previous week, but up 1.0 per cent from 453.9 million lb. the same week a year ago. Pork production over the last eight week's ending November 25 was estimated to average 517.2 million lb., up 1.4 per cent from 509.8 million lb. over the same four week period a year ago.

U.S. beef production for the week ending November 25 was estimated at 473.7 million lb., down 10.3 per cent from 528.2 million lb. the previous week, but up 2.2 per cent from 463.5 million lb. the same week a year ago.

Cutout Values

U.S. national pork cutout values for the week ending November 25, 2017 averaged US$81.86 per cwt, up US$0.79 per cwt or 1.0 per cent from US$81.07 per cwt the previous week; and up 11.1 per cent from US$73.65 per cwt from the same week a year ago.

Choice beef cutout prices (600-900 lb.) for the week ending November 25, 2017 averaged US$208.70 per cwt over the week, down US$1.52 per cwt or 0.7 per cent from US$210.22 per cwt the previous week, but up 12.0 per cent from US$186.29 per cwt the same week a year ago.

Average chicken cutout values (breast) for the week ending November 25, 2017 averaged US$102.05 per cwt, down US$2.36 per cwt or 2.3 per cent from US$104.41 per cwt the previous week, but up 6.4 per cent from US$95.90 per cwt the same week a year ago.

Meat In U.S. Cold Storage

USDA released the latest U.S. cold storage numbers on November 22, 2017. The United States' pork stocks in cold storage totaled 597.3 million lb. on October 31, 2017, down 3.4 per cent from 618.6 million lb. on September 30, 2017, and down 0.3 per cent from 599.0 million lb. on October 31, 2016. U.S. pork stocks in cold storage for October 31, 2017 were above the monthly 12-year average; but below the monthly 12-year highs.

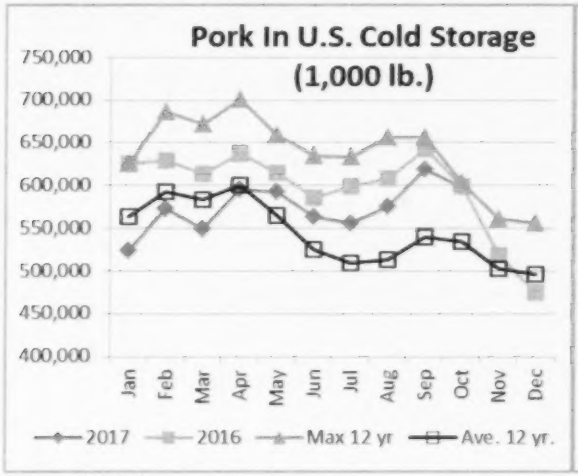
United States Stocks in Cold Storage (Frozen)

	1,000 Pounds		
Commodity	**31-Oct-2016**	**30-Sep-2017**	**31-Oct-2017**
Pork	599,010	618,592	597,295
Beef	533,068	496,027	506,931
Chicken	777,596	818,075	868,308
Turkey	400,355	569,963	457,517
Total Combined	**2,310,029**	**2,502,657**	**2,430,051**

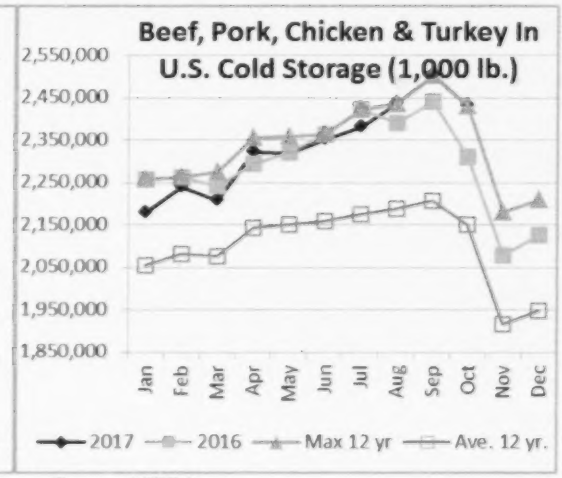
Source: NASS

The U.S. beef stocks in cold storage totaled 506.9 million lb. on October 31, 2017, up 2.2 per cent from 496.0 million lb. on September 30, 2017, but down 4.9 per cent from 533.1 million lb. on October 31, 2016. Beef stocks in cold storage for October 31, 2017 were above the monthly 12-year average; but below the monthly 12-year highs.

Total pork, beef, chicken and turkey in cold storage on October 31, 2017 was estimated to be 2.430 billion lb., down 2.9 per cent from September 30, 2017, but up 5.2 per cent from October 31, 2016. U.S. meat in cold storage for October 31, 2017 was above the 12-year average, but below the previous monthly 12-year record highs of 2.503 billion lb. established as of September 30, 2017.



Source: USDA



Source: USDA

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